

WEINER, McCAFFREY, BRODSKY & KAPLAN, P.C.

ATTORNEYS AT LAW

SUITE 800

1350 NEW YORK AVENUE, N.W.  
WASHINGTON, D.C. 20005-4797

(202) 628-2000

TELECOPIER (202) 628-2011

June 9, 1989

HARVEY E. WEINER  
R. LAWRENCE McCAFFREY, JR.  
JAMES A. BRODSKY  
PETER E. KAPLAN  
IRVING P. MARGULIES  
MARK M. LEVIN  
PETER A. GILBERTSON  
MARK H. SIDMAN  
L. MARK WINSTON  
THOMAS A. BROOKS

RICHARD J. MELNICK  
PATRICIA L. PAYNE  
OF COUNSEL

MITCHEL H. KIDER  
KIMBERLY A. MADIGAN  
LAURENCE R. LATOURETTE  
RANDAL D. SHIELDS\*  
PETER F. MORIARTY  
MICHAELA A. ALBON  
RICHARD J. ANDREANO, JR.  
CHRISTOPHER E. HAGERUP  
C. A. AVRAKOTOS\*  
MARK L. HESSEL  
STEPHEN D. NILES\*  
KEVIN M. SHEYS  
JEFFREY A. SOULE\*

\*NOT ADMITTED IN D.C.

RECORDATION NO. 8001- F FILED 1425

JUN 9 1989 -3 05 PM

INTERSTATE COMMERCE COMMISSION

DELIVERED BY HAND

Ms. Noreta R. McGee  
Secretary  
Interstate Commerce Commission  
12th Street & Constitution Avenue, N.W.  
Washington, D.C. 20423

Dear Ms. McGee:

I have enclosed two originals of the document described below, to be recorded pursuant to Section 11303 of Title 49 of the United States Code.

This document is a Discharge of Lien and Conditional Sales Agreement, a secondary document, dated June 7, 1989. The primary documents to which this is connected are recorded under Recordation No. 8001.

The names and addresses of the parties to the three documents are as follows:

Vendor: Detroit Bank & Trust Company  
(for all three) 211 West Fort Street  
Detroit, Michigan 48226

Vendees: Detroit & Mackinac Railway Company  
120 Oak Street  
Tawas City, Michigan 48763

Bay Aviation Company  
120 Oak Street  
Tawas city, Michigan 48763

*Handwritten notes:*  
Lyle  
Kara  
C. [Signature]

Ms. Noreta R. McGee

-2-

June 9, 1989

Bay Development Company  
120 Oak Street  
Tawas City, Michigan 48763

A description of the equipment covered by the document follows:

Fifty (50) 70-ton plate C 1975 Berwick built boxcars bearing the road numbers DM 2200-2249 (inclusive);

Twenty-three (23) 70-ton plate C 1975 Berwick built boxcars bearing the road numbers DM 2250-2272 (inclusive); and

Twenty-seven (27) 70-ton plate C 1975 Berwick built boxcars bearing the road numbers DM 2273-2299 (inclusive).

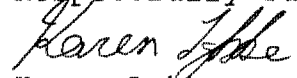
Twenty-five (25) 70-ton plate C 1977 Berwick built boxcars bearing the road numbers DM 2404, 2407, 2408, 2412, 2413, 2415, 2425, 2426, 2428, 2430, 2434, 2439, 2456, 2458, 2459, 2464, 2468, 2472, 2474, 2482, 2483, 2485, 2488, 2490 and 2498 (formerly known as DM 2300 series).

A check made payable to the Commission in the amount of \$13.00 is enclosed for the fee. Please return one original to: Karen Lykke, Weiner, McCaffrey, Brodsky & Kaplan, P.C., 1350 New York Avenue, N.W., Suite 800, Washington, D.C. 20005.

A short summary of the document to appear in the index follows:

Discharge of Lien and Conditional Sales Agreement, dated June 7, 1989, as it pertains to those one hundred (100) 70-ton plate C 1975 Berwick built boxcars bearing the road numbers DM 2200-2299 and twenty-five (25) 70-ton plate C 1977 Berwick built boxcars bearing the road numbers DM 2404, 2407, 2408, 2412, 2413, 2415, 2425, 2426, 2428, 2430, 2434, 2439, 2456, 2458, 2459, 2464, 2468, 2472, 2474, 2482, 2483, 2485, 2488, 2490 and 2498 (formerly known as DM 2300 series).

Respectfully submitted,



Karen Lykke  
Legal Assistant

Enclosures

KL/wbe/7148P/8010-1

Interstate Commerce Commission  
Washington, D.C. 20423

6/9/89

OFFICE OF THE SECRETARY

Karen Lykke

Weiner, McCaffrey, Brodsky, & Kaplan

1350 New York Avenue N.W.

Washington, D.C. 20005-4757

Dear

Ms. Lykke:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 6/9/89 at 3:05pm, and assigned recordation number(s).

8001-F

8032-A

8033-A

8606-A

8832-A

13671-G

Sincerely yours,

*Narta L. McGee*

Secretary

Enclosure(s)

DISCHARGE OF LIEN AND  
CONDITIONAL SALES AGREEMENT

JUN 19 1989 -3 05 PM  
 INTERSTATE COMMERCE COMMISSION

KNOW ALL MEN BY THESE PRESENTS, that any and all debt, liens, encumbrances or other security interests created by those certain Conditional Sales Agreements dated July 17, 1975, May 24, 1977 and June 21, 1982, by and between BAY DEVELOPMENT COMPANY, a Michigan corporation, DETROIT & MACKINAC RAILWAY COMPANY, (sometimes referred to as doing business as "D.M.L., Inc."), a Michigan corporation, and BAY AVIATION COMPANY, a Michigan corporation, (hereinafter collectively referred to as "Borrower") and COMERICA BANK - DETROIT, a Michigan banking corporation, formerly known as Detroit Bank & Trust Company (hereinafter referred to as "Lender") are released and discharged, and any lien or other encumbrance against the property described as follows:

Property Owned by Bay Development Company - 70-ton plate C 1975 Pullman built (DM2200 Series) boxcars, covered by the Conditional Sales Agreement dated July 17, 1975:

2273	2281	2289	2297
2274	2282	2290	2298
2275	2283	2291	2299
2276	2284	2292	
2277	2285	2293	
2278	2286	2294	
2279	2287	2295	
2280	2288	2296	

Property Owned by Detroit & Mackinac Railway Company - 70- ton plate C 1975 Pullman built (DM2200 Series) boxcars, covered by the Conditional Sales Agreement dated July 17, 1975, and the Conditional Sales Agreement dated June 21, 1982:

2200	2210	2220	2230	2240
2201	2211	2221	2231	2241
2202	2212	2222	2232	2242
2203	2213	2223	2233	2243
2204	2214	2224	2234	2244
2205	2215	2225	2235	2245
2206	2216	2226	2236	2246

2207	2217	2227	2237	2247
2208	2218	2228	2238	2248
2209	2219	2229	2239	2249

Property Owned by Detroit & Mackinac Railway Company -  
(formerly held by Bay Aviation Company) 70- ton plate C  
1975 Pullman built (DM2200 Series) boxcars, covered by  
the Conditional Sales Agreement dated July 17, 1975:

2250	2260	2270
2251	2261	2271
2252	2262	2272
2253	2263	
2254	2264	
2255	2265	
2256	2266	
2257	2267	
2258	2268	
2259	2269	

Property Owned by Detroit & Mackinac Railway Company -  
70-ton plate 1977 Berwick built (DM2400 Series) boxcars,  
covered by the Conditional Sales Agreement dated May 24,  
1977 and the Conditional Sales Agreement dated June 21,  
1982:

2404	2434	2483
2407	2439	2485
2408	2456	2488
2412	2458	2490
2413	2459	2498
2415	2464	
2425	2468	
2426	2472	
2428	2474	
2430	2482	

(formerly known as DM2300 Series)

are fully satisfied and discharged, and the associated debt is  
fully satisfied.

By this Discharge, COMERICA BANK - DETROIT does hereby  
cancel, terminate and otherwise void any and all lease or other use  
agreement between COMERICA BANK - DETROIT, BAY DEVELOPMENT COMPANY  
and BAY AVIATION COMPANY dated on even date with the above-referred

to Conditional Sales Agreement.

This Discharge of Lien does not release either of the parties hereto from any liability to the other party to any lease existing as of this termination date.

Dated this 7th day of June, 1989.

WITNESS:

COMERICA BANK - DETROIT

By: [Signature]

Its: [Signature]

STATE OF MICHIGAN )  
                                  ) SS.  
COUNTY OF OAKLAND )

The foregoing instrument was acknowledged before me this 7th day of June, 1989, by ROBERT C. ROBINSON, who is Vice President of Comerica Bank - Detroit, on behalf of said bank.

[Signature]  
Lynette J. Batcheler, Notary Public  
Oakland County, Michigan  
My commission expires: 9/04/89